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U.S. Broiler Exports to Nontraditional Markets

From 1999-2002, U.S. broiler meat exports averaged 2.25 million tons. On average, 12.3 percent was shipped to countries in the Caribbean, Eastern Europe, Africa and Central America. These regions accounted for 17 percent of volume and 27 percent of value in 2002. Economic growth and gains in the food industry sector have allowed broiler meat exports to grow an average of 35 percent in volume in 2002 from 2001 in these markets.

In 2002, exports to the Caribbean totaled 52,000 tons valued at nearly \$23 million. Sales to Cuba drove much of the growth in exports to the Caribbean. Other Caribbean countries, such as Haiti and Jamaica, contributed to increased exports with a total volume of 40,140 tons valued at \$23 million in 2002.

Exports to Eastern Europe increased were primarily driven by demand from Romania. The U.S. shipped over 30,000 tons to Romania in 2002, doubling the 2001 level. Romania is tentatively scheduled to join the European Union in 2007 and is unclear how U.S. poultry shipments will be affected at that time. Exports to Greece totaled nearly 27,000 tons, presumably transshipped to the Balkans.

U.S. boiler exports to Africa increased 49 percent in volume in 2002 compared to 2001 levels. Exports to Angola have been steadily increasing, from 7,222 tons in 1999, to 47,493 tons in 2002. Other markets in Africa include Ghana, Gabon, the Gambia and Sierra Leone.

Exports to Central America have historically revolved around exports to Guatemala. In 2002 broiler exports to Guatemala totaled 45,154 tons valued at \$28 million, up 25 percent from a year ago.

On average, 12.3 percent was shipped to the Caribbean, Eastern Europe, Africa and Central America. In 2002 alone, these regions accounted for 17 percent in volume and 27 percent in value.

Source: USDA/FAS

U.S. Exports of Poultry Meat and Poultry Offal

	January-August		August	
	2002	2003	2002	2003
Caribbean	81,986	106,253	9,095	13,114
Central America	32,921	44,493	4,873	5,966
Eastern Europe	74,847	94,656	9,350	7,572
Africa	59,113	69,955	11,748	11,765
sub total	248,868	315,357	35,066	38,416
World Total	1,716,530	1,694,390	240,754	219,738

HS Code 0207, 0208

Source: U.S. Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

U.S. Dollar as a World Reserve Currency

The Bretton Woods Accord of 1944 created the International Monetary Fund (IMF) and the World Bank; established fixed foreign currency rates for major currencies; and set the price of gold at US \$35 per ounce. The US dollar thus became the world's main reserve currency. In 1971 the U.S. ended its legal obligation to exchange dollars held by foreign banks for gold. This resulted in a system of flexible exchange rates for the dollar in terms of other countries' currencies.

By the late 90s, more than 80 percent of all foreign exchange transactions and half of all world exports were denominated in US dollars and accounted for about two thirds of all official exchange reserves. OPEC oil contracts are priced in US dollars.

At the end of 1997, over half of the official foreign exchange reserves worldwide were held in dollars, about 14 percent was held in German marks and French francs, and about 5 percent in Japanese yen. In 1999 the European Union introduced a single currency, the euro, which was adopted by 11 countries. Greece joined in 2002. At the time, the European Monetary Union accounted for almost 20 percent of world trade and world GNP.

Some countries complain the U.S. dollar has become too volatile. African countries have requested policies to reduce currency exchange risks and price risks on commodities. In a paper on the relationship between trade and finance/trade and debt, Cuba asserted one of the main concerns of developing countries were fluctuating exchange rates. In April, 2003, Indonesia's state oil company said it was considering dropping the U.S. dollar for the euro in its oil and gas trades as the dollar had become too volatile. Malaysia proposed a currency basket of the euro and the U.S. dollar for oil trades. Russia will start pricing its oil and gas exports in euros instead of dollars to forge closer ties with the European Union. Earlier this year when Russia when Russia proposed new import quotas on poultry, pork and beef imports, the over quota import duty on pork and beef was quoted in euros.

Sources: The U.S. Federal Reserve Board, International Centre for Trade and Sustainable Development, OPEC, news wires

Japan: Frozen Egg Imports in metric tons

	Frozen Whole		Frozen		Frozen	Total
	Eggs	Yolks	Albumen			
2002						
May	262.8	1,366.7	0.0			1,629.5
June	247.8	901.4	18.1			1,167.3
YTD	1,431.1	5,331.4	320.1			7,082.6
2003						
May	186.3	925.0	-			1,111.3
June	208.0	871.7	-			1,079.7
July	207.7	1,023.5	-			1,231.2
YTD	1,529.6	6,766.0	46.4			8,342.0

Source: ALIC

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending October 11, 2003	Year-To-Date			
	2003	2002/1	2003	2002
Liquid	459	450	13,525	16,087
Frozen	0	0	96	21
Dried	0	80	438	754
Total	459	530	14,059	16,862

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending October 11, 2003	Year-To-Date			
	2003	2002/1	2003	2002
Liquid	55	71	4,781	5,206
Frozen	43	34	2,942	2,927
Dried	0	230	1,024	4,294
Total	98	335	8,747	12,427

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending October 11, 2003	Year-To-Date			
	2003	2002 /1	2003	2002
Jumbo	17	0	370	1,307
Extra Large	1,635	2,490	23,742	32,645
Large	3,960	2,300	93,805	116,028
Medium	525	1,260	51,458	40,843
Ungraded	10,718	9,840	145,888	283,085
Misc	0	0	13,862	14,017
Total	16,855	15,890	329,125	487,925

Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 11-Oct-03

(PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,263	1,443	2,706
LAST WEEK	1,346	1,444	2,790
SAME WEEK YR AGO	1,754	1,536	3,290
TO-DATE/2003	60,316	57,545	117,861
TO-DATE/2002	71,997	57,620	129,617

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	141	0	141
LAST WEEK	266	0	266
SAME WEEK YR AGO	266	4	270
TO-DATE/2003	9,628	137	9,765
TO-DATE/2002	12,718	258	12,976

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	1,404	1,443	2,847
LAST WEEK	1,612	1,444	3,056
SAME WEEK YR AGO	2,020	1,540	3,560
TO-DATE/2003	69,944	57,682	127,626
TO-DATE/2002	84,715	57,878	142,593

SOURCE: USDA/AMS PLTRY PROGRAMS, MARKET NEWS BR.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

17-OCT-2003				
CHICKEN	PRICES ——— VOLUME ———			
	(Cents per Pound)			

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

PRICES ——— VOLUME ———				
(Cents per Pound)				
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	17.00	18.00	102,000	-
WTD AVERAGE	17.00	18.00		
15-20%				
RANGE	20.00-21.50	12.00-17.00	1,611,700	856,900
WTD AVERAGE	20.88	14.64		
20% OR MORE				
RANGE	-	11.00	20,400	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

17-OCT-2003				
CHICKEN	PRICES ——— VOLUME ———			
	(Cents per Pound)			

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

PRICES ——— VOLUME ———				
(Cents per Pound)				
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	14.00-22.00	17.50-18.00	986,000	526,000
WTD AVERAGE	18.20	17.61		
15-20%				
RANGE	16.00-30.00	11.00-15.00	2,188,000	856,000
WTD AVERAGE	27.36	12.32		
20% OR MORE				
RANGE	-	11.00	42,000	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 17 OCTOBER 2003.

The market tone on tom bulk parts was steady to firm, mostly steady. Demand light to moderate, buyers starting to turn more of their attention to the upcoming Thanksgiving holiday. Supplies of tom bulk parts ranged from tight to barely adequate. The market tone on hen bulk parts was also fully steady to firm. Demand was moderate, with offerings falling short of current needs. Trading light on all items.

FRIDAY, OCTOBER 17, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	40.00-42.00		40.77	592	40.81	912
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS	22.00-25.00		23.67	120	23.67	120
MECHANICALLY SEPARATED 2/	27.00		27.00	160	27.40	200
THIGH MEAT - FROZEN	92.00		92.00	200	92.17	240

THURSDAY, OCTOBER 16, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	43.50		43.50	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		R	22.00	40
MECHANICALLY SEPARATED 2/	29.00		29.00	40
THIGH MEAT - FROZEN	93.00		93.00	40

WEDNESDAY, OCTOBER 15, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	43.50		43.50	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		R	22.00	40
MECHANICALLY SEPARATED 2/		R	33.00	52
THIGH MEAT - FROZEN		F	94.00	40

TUESDAY, OCTOBER 14, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	40.00		40.00	240
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		R	22.00	40
MECHANICALLY SEPARATED 2/		R	33.00	52
THIGH MEAT - FROZEN		F	94.00	40

MONDAY, OCTOBER 13, 2003
NO EXPORT TRADING REPORTED
DUE TO COLUMBUS DAY HOLIDAY

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY
 2/ Product contains 15-20% fat with skin added.